

# Dana Ranch Land Exchange Proposal Timeline

DNRC originally contacted in January of 2013 By Jim Taylor of Hall and Hall Properties, representing the Dana Ranch. The Dana Ranch wanted to discuss the possibility of exchanging isolated trust lands within the ranch perimeter, for a property or properties that the DNRC would want to acquire.

DNRC reviewed and rejected 3 different properties proposed as potential exchange properties over about a ten month period.

DNRC was sent marketing materials on the XHD Ranch by a realtor from Premier properties in November, as another possibility. Based on a review of the materials supplied, DNRC contacted Hall & Hall, and asked about them facilitating a site visit.

Based on a site visit by DNRC's NELO area manager and an initial screening of the proposed exchange, it was determined that the property had potential to meet the land exchange criteria. Hall & Hall worked with owners of the Dana Ranch to negotiate a purchase agreement contingent on Land Board approval of the exchange.

Owners of the XHD are currently in a bankruptcy proceeding, attorneys for the bankruptcy required the DNRC to seek preliminary Land Board approval by the March 2014 Land Board meeting or the property would proceed to a sheriff's sale.

The Dana Ranch filed a land exchange application on January 24, 2014

DNRC began public scoping on January 29, 2014, allowing 30 days for public comment, until February 28, 2014. Scoping notices were mailed to 254 individuals, organizations, and government officials. DNRC also created a webpage for the land exchange, displaying scoping information, the land exchange application, and the Land Board's land exchange policy. Scoping comments could be given to DNRC via email, the mail, or written comments handed to DNRC at one of two public meetings. The public meetings were held in Cascade on February 19<sup>th</sup>, the other in Winifred on February 20<sup>th</sup>. DNRC staff also attended a meeting of the Devils Kitchen Working Group on February 25<sup>th</sup>, to answer questions on the proposed exchange, and solicit comments.

DNRC continued to conduct further evaluation on the exchange during the public scoping process. By March 5<sup>th</sup>, DNRC had determined there was significant risk the proposed exchange may not meet the Land Boards exchange criteria. The Director informed the proponent that the DNRC would not be seeking Land Board approval at the March 2014 Land Board Meeting.

Montana Board of Land Commissioners

LAND EXCHANGE POLICY

Revised December 2004

Legal requirements, which shape the board's review of land exchanges, are found within the Montana Constitution, state statutes, and administrative rules. The Land Exchange Policy assists applicants and department personnel in evaluating how the land board will review the merits of a particular exchange. The goal is to promote exchanges which produce an advantage to the state and its trust funds, and to discourage exchanges which are disadvantageous to Montana.

**Land Exchange Criteria:**

**Equal or greater value** - Land to be acquired by the state must be at least as valuable as the state land being exchanged.

**State land bordering on navigable lakes and streams** - state lands that border navigable lakes, streams, and other bodies of water with significant public use values may only be exchanged for lands that border similar bodies of water.

**Equal or greater income to the trust** - A land exchange must result in the state receiving equal or greater income for the trusts.

**Equal or greater acreage** - the Montana Constitution requires that exchanged state lands and acquired lands be, "as closely as possible, equal in area."

**Consolidation of state lands** - exchange should be at least neutral in its net effect on the consolidation of state land

**Potential for long-term appreciation** - land acquired by the state should be as likely to increase in value or revenue potential as the state land exchanged.

**Access** - A land exchange should not diminish the amount of access to state lands or other public lands.